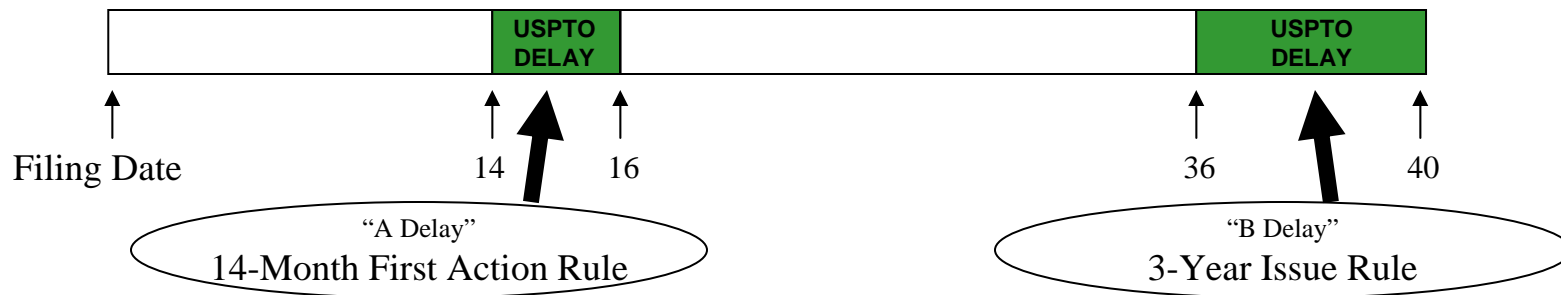


The USPTO's PTA Overlap Interpretation has been Overturned by the Federal Circuit in *Wyeth v. Kappos**

*No. 2009-1120 (Fed. Cir. 2010)

Simplified Explanatory Example



- Consider a prosecution example with only two relevant PTA events:
 - USPTO mails a first office action at 16 months, generating 2 months of PTA under the 14-month first action rule (“A Delay”). 35 USC 154(b)(1)(A)(i).
 - USPTO issues the patent at 40 months, generating 4 months of PTA under the 3-year issue rule (“B Delay”). 35 USC 154(b)(1)(B).
- The statute, however, limits PTA where USPTO delays overlap:

“To the extent that periods of delay specified in paragraph (1) overlap, the period of any adjustment granted under this subsection shall not exceed the actual number of days the issuance of the patent was delayed.” 35 USC 154(b)(2)(A) (emphasis added).
- The USPTO interprets this limitation such that these example delays **overlap**:

“the entire period during which the application was pending before the Office (except for periods excluded under 35 U.S.C. 154(b)(1)(B)(i)–(iii)), and not just the period beginning three years after the actual filing date of the application, is the period of delay under 35 U.S.C. 154(b)(1)(B) in determining whether periods of delay overlap under 35 U.S.C. 154(b)(2)(A). 69 Fed. Reg. 21706 (April 22, 2004) (emphasis added).
- The Federal Circuit has ruled that these example delays **do not overlap**:

“Before the three-year mark, no “overlap” can transpire between the A delay and the B delay because the B delay has yet to begin or take any effect. If an A delay occurs on one day and a B delay occurs on a different day, those two days do not “overlap” under section 154(b)(2).” Slip Op. at 8.
- Thus, under *Wyeth*, the proper PTA is the sum of delays (6 months), rather than the greater-of-the-delays (4 months) as would be granted under the USPTO interpretation.

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Practical Effects

- Many patents pending more than three years will be entitled to additional PTA under *Wyeth*.
- For some cases, the PTA increase will be significant. As an example, had US Pat. No. 7,351,719 been issued under *Wyeth*, its PTA would increase from 400 to 894 days.
- For existing applications and patents, there's a potential catch. Applicants have limited opportunities to seek PTA correction:
 - By petition in USPTO, after allowance, but before issue fee payment. 37 CFR 1.705(b).
 - By petition in USPTO, within two months of issue. 37 CFR 1.705(d).
 - By action in DC District Court, within 180 days of issue.* 35 USC 154(b)(4)(A).
- Applicants eligible to seek correction should immediately review the USPTO-calculated PTA under *Wyeth*.
- For cases outside these deadlines, *perhaps* some practitioner will succeed in retroactively obtaining the benefit of *Wyeth* (e.g., certificate of correction, petition to director), but that path is less certain.

*For a DC District Court action, there's a potential issue of whether a previous petition in the USPTO is required, but at least one applicant has filed without a prior petition under 37 CFR 1.705. See *Ironwood Pharma v. Dudas*, No. 09-1932 (D.D.C., filed Nov. 7, 2008).